

## Message Text

LIMITED OFFICIAL USE

PAGE 01 PARIS 10474 01 OF 02 242048Z

72

ACTION EB-07

INFO OCT-01 EUR-12 ISO-00 FEA-01 ERDA-05 AID-05 CEA-01

CIAE-00 CIEP-01 COME-00 DODE-00 FPC-01 H-02 INR-07

INT-05 L-02 NSAE-00 NSC-05 OMB-01 PM-03 SAM-01 OES-03

SP-02 SS-15 STR-04 TRSE-00 FRB-03 PA-01 USIA-06

PRS-01 IO-10 OIC-02 NEA-09 EA-06 AGR-05 /127 W

----- 033292

R 242032Z APR 75

FM AMEMBASSY PARIS

TO SECSTATE WASHDC 8789

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY THE HAGUE

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY ROME

USMISSION EC BRUSSELS

USMISSION OECD PARIS

LIMITED OFFICIAL USE SECTION 01 OF 02 PARIS 10474

E.O. 11652: N/A

TAGS: ENRG, FR

SUBJECT: VIEWS OF FRENCH OFFICIAL ON COLLAPSE OF PREPCON

1. SUMMARY: ACCORDING TO PRESIDENTIAL ADVISOR DUTET, PREPCON FAILED BECAUSE IT PREMATURE. SITUATION SHOULD NOW BE ALLOWED TO EVOLVE SIX OR MORE MONTHS TO SEE IF NEW CONFERENCE EFFORT WORTHWHILE, AND GOF NOW PLANNING NO NEW INITIATIVES IN RAW MATERIALS FIELD. FRANCE WILL IN MEANTIME CONTINUE WORK TO REDUCE DEPENDENCE ON IMPORTED OIL, AND COORDINATE ITS POSITION WITH IEA.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 PARIS 10474 01 OF 02 242048Z

DUTET SUGGESTED THAT NEW CEP IN OECD BE VEHICLE FOR

GOF - IEA COORDINATION. END SUMMARY.

2. DUTET, ECONOMIC AND FINANCIAL ADVISOR TO GISCARD, HAS GIVEN ECON/COM MIN HIS IMPRESSIONS OF THE FAILURE OF THE PREPCON FROM THE PERSPECTIVE OF THE ELYSEE. DUTET ATTRIBUTED THE FAILURE OF THE CONFERENCE TO THE FACT THAT IT WAS PREMATURE. HE SAID IT WAS CLEAR NOW THAT THE PREPCON SHOULD NOT HAVE BEEN HELD UNTIL DIFFERENCES BETWEEN THE PRINCIPAL GROUPS HAD NARROWED. (OUR BRITISH COLLEAGUE TELLS US HE UNDERSTANDS BOTH DUTET AND BROSOLETT, SECRETARY GENERAL OF THE ELYSEE, HAD BEEN VERY PESSIMISTIC ABOUT THE CHANCES OF SUCCESS OF THE PREPCON AND HAD TRIED TO PERSUADE GISCARD NOT TO CONVOKE IT AT THE PRESENT TIME BUT THAT GISCARD HAD BRUSHED THEIR OBJECTIONS ASIDE.) DUTET ADDED THAT IT WAS QUITE POSSIBLE THAT A FORMULA MIGHT HAVE BEEN FOUND WHICH WOULD HAVE MADE IT POSSIBLE TO REACH AGREEMENT ON HOLDING THE MAIN CONFERENCE, BUT THIS FORMULA WOULD HAVE BEEN SO VAGUE THAT ALL THE CONTENTIOUS ISSUES WOULD HAVE HAD TO BE DEBATED AT THE MAIN CONFERENCE ALL OVER AGAIN, THUS ENSURING THAT THAT CONFERENCE WOULD HAVE FAILED.

3. THE GOF BELIEVES, ACCORDING TO DUTET, IT SHOULD WAIT SIX MONTHS OR LONGER TO SEE WHETHER OR NOT THE SITUATION HAS EVOLVED SUFFICIENTLY TO MAKE ANOTHER TRY AT A PREPCON WORTHWHILE. DUTET, LIKE FROMENT-MEURICE (PARIS 9982), SAID THAT, IF ANOTHER PREPCON WERE TO BE HELD, THE YAMANI FORMULA SHOULD BE ADHERED TO SINCE ANY INCREASE IN THE NUMBER OF PARTICIPANTS WOULD REDUCE THE CHANCES OF SUCCESS. HE ALSO BELIEVED THAT SOME WAY WOULD HAVE TO BE FOUND FOR DEALING WITH THE DESIRE OF THE ALGERIANS AND THEIR ALLIES TO INCLUDE RAW MATERIALS IN THE CONFERENCE. ECON/COM MIN, DRAWING ON STATE 92887, SAID THAT THE UNITED STATES CONTINUED TO BELIEVE THAT ANY EVENTUAL FULL CONFERENCE SHOULD BE CENTERED ON ENERGY AND ENERGY-RELATED QUESTIONS. DUTET SAID FRANCE FULLY SHARED THIS VIEW. NONETHELESS, HE BELIEVED THAT SOME FACE-SAVING FORMULA WOULD HAVE TO BE FOUND TO PERMIT THE INCLUSION OF A DISCUSSION OF OTHER RAW MATERIALS IN THE CONFERENCE.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 PARIS 10474 01 OF 02 242048Z

4. ECON/COM MIN BROUGHT UP THE QUESTION OF FRANCE'S CONTINUED PARTICIPATION IN THE EFFORT TO BUILD CONSUMER SOLIDARITY. DUTET SAID THE FAILURE OF THE PREPCON HAD NOT CHANGED FRANCE'S POSITION. FRANCE CONTINUED TO SUBSCRIBE TO THE PRINCIPLE OF REDUCING DEPENDENCE ON IMPORTED OIL. ITS INTERESTS CLEARLY LINKED IT WITH THOSE OF THE OTHER CONSUMERS AND IT WOULD OF COURSE

CONTINUE TO COORDINATE ITS POLICIES WITH THOSE OF THE IEA. HOWEVER, IT WOULD WANT TO MAINTAIN MAXIMUM FREEDOM OF ACTION. IT COULD NOT RECONSIDER ITS DECISION NOT TO JOIN THE IEA AND, IN SUCH SPECIFIC MATTERS AS PROTECTION OF INVESTMENT IN ALTERNATIVE SOURCES (AN OBJECTIVE TO WHICH IT FULLY SUBSCRIBES), IT WOULD WANT TO EMPLOY MEANS BEST SUITED TO ITS PARTICULAR SITUATION.

5. ECON/COM MIN RECALLED THE THREE CHANNELS WHICH WE HAD SUGGESTED FOR ENSURING COORDINATION OF FRENCH AND IEA POSITIONS. DUTET SAID THAT THE GOF WOULD OF COURSE CONTINUE TO CONCERT ITS POSITION WITH THAT OF ITS EC PARTNERS IN THE COMMUNITY FRAMEWORK, ALTHOUGH IT COULD

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 PARIS 10474 02 OF 02 242047Z

72

ACTION EB-07

INFO OCT-01 EUR-12 ISO-00 FEA-01 ERDA-05 AID-05 CEA-01

CIAE-00 CIEP-01 COME-00 DODE-00 FPC-01 H-02 INR-07

INT-05 L-02 NSAE-00 NSC-05 OMB-01 PM-03 SAM-01 OES-03

SP-02 SS-15 STR-04 TRSE-00 FRB-03 PA-01 USIA-06

PRS-01 IO-10 OIC-02 NEA-09 EA-06 AGR-05 /127 W

----- 033295

R 242032Z APR 75

FM AMEMBASSY PARIS

TO SECSTATE WASHDC 8790

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY THE HAGUE

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY ROME

USMISSION EC BRUSSELS

USMISSION OECD PARIS

LIMITED OFFICIAL USE SECTION 02 OF 02 PARIS 10474

NOT ACCEPT FAITS ACCOMPLIS ADOPTED IN THE IEA. THERE WOULD HAVE TO BE AN INDEPENDENT PROCESS OF COORDINATION AND AGREEMENT WITHIN THE EC. THE DAVIGNON CHANNEL WAS ACCEPTABLE FOR PROCEDURAL MATTERS BUT NOT ON MATTERS OF SUBSTANCE. BILATERAL CONTACTS WITH THE U.S. WERE ALWAYS WELCOME, BUT THIS COULD NOT BE A CHANNEL FOR REACHING POLICY DECISIONS -- ONLY FOR AN EXCHANGE OF VIEWS. QUITE FRANKLY, DUTET CONTINUED, THE GOF BELIEVED THAT THE BEST PLACE FOR COORDINATING ITS POSITION WITH LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 PARIS 10474 02 OF 02 242047Z

THAT OF THE OTHER CONSUMERS WAS IN THE OECD. THE U.S. HAD OPPOSED AN EARLIER FRENCH PROPOSAL TO SET UP AN AD HOC COMMITTEE IN THE OECD GROUPING IEA AND NON-IEA MEMBERS. VAN LENNEP HAD NOW PROPOSED THE CREATION OF A NEW COMMITTEE ON ENERGY POLICY (CEP). DUTET SAID HE HOPED THIS PROPOSAL WOULD BE ADOPTED. HE BELIEVED THE CEP WOULD PROVIDE AN EXCELLENT FORUM FOR COORDINATING FRENCH AND IEA POSITIONS.

6. COMMENT: DUTET'S SUGGESTION, WHILE NOT MADE AS AN OFFICIAL PROPOSAL, UNDOUBTEDLY REPRESENTS SENIOR GOF THINKING AND WE MAY WELL BE HEARING MORE OF IT. FROM OUR VANTAGE POINT, THERE WOULD APPEAR TO BE NEED FOR A CLOSER AND MORE STRUCTURED EXCHANGE WITH THE GOF THAN PROVIDED BY THE THREE PREVIOUSLY AGREED CHANNELS (WHICH PROVED LESS THAN FULLY SATISFACTORY IN ENSURING GOF-IEA COORDINATION PRIOR TO THE PREPCON). WE ARE CONCERNED THAT THE SOMEWHAT AMBIGUOUS NATURE OF THE GOF'S COMMITMENT TO PROCEED "IN PARALLEL" WITH THE IEA MAY BECOME MORE PRONOUNCED AS WE MOVE INTO A STAGE IN WHICH WE NO LONGER HAVE THE LEVERAGE OF THE PREPCON ITSELF TO BRING THE FRENCH ALONG. AT A MINIMUM, REGULAR EXCHANGES COULD OBLIGE THE FRENCH TO SURFACE THEIR REACTIONS TO IEA PROPOSALS MORE OPENLY THAN IN THE PAST, AND REDUCE THEREBY THE CHANCES OF THEIR PLAYING A DOG-IN-THE-MANGER ROLE AT A LATER DATE. THE CEP, UNDER AN APPROPRIATELY RESTRICTED MANDATE, MIGHT BE AN APPROPRIATE FORUM FOR SUCH EXCHANGES. END COMMENT.

7. ECON/COM MIN NOTED THAT THERE HAD BEEN MUCH TALK IN THE PRESS RECENTLY ABOUT NEW INITIATIVES ON THE RAW MATERIALS QUESTION AND RELATIONS BETWEEN DEVELOPED AND DEVELOPING COUNTRIES IN GENERAL. DID THE GOF HAVE ANY

PLANS IN THIS AREA? DUTET SAID THAT THE GOF WAS PLAN-  
NING NO NEW INITIATIVES, ALTHOUGH THIS WAS A MATTER  
ABOUT WHICH IT FELT A GOOD DEAL OF CONCERN. GENERALLY  
SPEAKING, THE GOF FAVORED INTERNATIONAL PROGRAMS FOR  
STABILIZING THE PRICES OF PRIMARY PRODUCTS. HE THOUGHT  
THAT THE PRESENT TIME, WHEN THESE PRICES WERE TENDING TO  
DECLINE, WAS A GOOD TIME TO REACH AGREEMENT WITH PRO-  
DUCER GOVERNMENTS, WHO WERE NEVER WILLING TO TALK ABOUT  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 PARIS 10474 02 OF 02 242047Z

STABILIZATION PROGRAMS WHEN PRICES WERE RISING. DUTET  
SAID THE GOF ALSO BELIEVED THAT A STRONG EFFORT MUST BE  
MADE WITH THE INDUSTRIALIZED COUNTRIES TO PREVENT AID  
FLOWS AS A PERCENTAGE OF GNP FROM FALLING FURTHER.  
HOWEVER, HE REPEATED THAT THE GOF PLANNED NO NEW  
INITIATIVES IN THIS GENERAL AREA.  
RUSH

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PETROLEUM, MEETING AGENDA, DIPLOMATIC DISCUSSIONS, PLANNING MEETINGS, IMPORTERS, EXPORTERS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 24 APR 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** MorefiRH  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975PARIS10474  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750144-0866  
**From:** PARIS  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750420/aaaaasvx.tel  
**Line Count:** 244  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 5  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** MorefiRH  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 16 APR 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <16 APR 2003 by BoyleJA>; APPROVED <21 MAY 2003 by MorefiRH>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
05 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** VIEWS OF FRENCH OFFICIAL ON COLLAPSE OF PREPCON  
**TAGS:** ENRG, FR, IEA  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006